TOP SECRET

Official Diary

Monday, 25 August 1952

l. Mr. Amory and I visited Adm. Stout and discussed the difficulty that had arisen as a result of Navy's request to inspect British shipping records at Hong Kong. We proposed that this request be dropped, although the Navy representative visiting Hong Kong for the purpose of inspecting junk traffic would be requested to follow up any leads that could give occasion for a legitimate request to check records. Full agreement was reached on this course of procedure. Later in the day I spoke to Mr. Wisner on this projected survey and told him that we would keep his office informed of developments. It is essential that Mr. Wisner's representative be informed as to the identity of the Naval representative, even though he does not actively participate in the survey.

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2. Also brought Adm. Stout up to date on discussions with the General respecting Col. Hodgson and his mission.

## 25X1A9a

gave him the background on the appointment of as Acting Chairman of the Watch Committee. Gen. Partridge had been informed that I had indicated the desire to employ in order to run the Watch Committee for CIA. I assured him that there was no truth in this rumor and further assured him that I was in favor of keeping the Watch Committee in G-2. However, I requested that after Gen. Willems had returned and had had a chance to look around, he review very carefully the efficiency and capabilities of the Watch Committee. I particularly emphasized the fact that the Committee seemed to spend too much time in reporting facts and too little in discussing their significance. Also mentioned was the possible desirability of having indications reviewed on something more than a weekly basis. Gen. Partridge undertook to take a good look at this situation, when the time was appropriate.

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  4. Attended briefing in fire on the intelligence component of SR Division. It was apparent in the course of this discussion that channels for intelligence to and from the Operational Offices were very much confused.
- 25X1A9a 5. Attended meeting in Mr. Wisner's office with Messrs. Wisner, a joint survey to answer two basic questions, namely:
  - a. What are the intelligence support requirements of the Operational Offices, and how are they to be met, from within CTA or from outside agencies?

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BOIL

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Security Information

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b. What are the intelligence-producing potentialities of the Operational Offices (particularly OPC type operations), and how can they best be made available to the Intelligence Offices of CIA, and ultimately for the remainder of the intelligence community?

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25X1A9a 25X1A9a It was agreed that a written directive would be premature at this time. I later spoke to Dr. Andrews, informing him of this survey. I suggested that he have coordinate his thinking on overt collection with this survey. I so mentioned this survey to and, at the Tuesday Deputies' meeting, to the DCI and to Mr. Dulles.

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6. Conferred with Mr. Dulles respecting a visit to the D. of J. on the case and certain questions which had been raised by

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7. Made arrangements with Mr. Wisner to receive on an "Eyes Only" basis certain highly-sensitive reports which are to be seen in 25X1A9a addition only by Wisner and With respect to these reports, I have undertaken to make no dissemination without clearing with Mr. Wisner and 25X1A9a so informed Missemination.

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9. As the result of a suggestion by Adm. Stout, I requested Mr. Wisner to have his people ascertain as much as they could about the activities of the Hong Kong and Shanghai Bank (which Navy believes to be financing much of the smuggling through Hong Kong) and Hunt Enterprises, Ltd. (which holds itself out as engaged in a smuggling business in Hong Kong).



